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#### DEPARTMENT OF THE TREASURY

Alcohol and Tobacco Tax and Trade Bureau

27 CFR Part 9

[Docket No. TTB-2015-0005; T.D. TTB-136; Ref: Notice Nos. 149 & 149A]

RIN 1513-AC14

Establishment of the Lewis–Clark Valley Viticultural Area and Realignment of the Columbia Valley Viticultural Area

**AGENCY:** Alcohol and Tobacco Tax and Trade Bureau, Treasury.

**ACTION:** Final rule; Treasury decision.

**SUMMARY:** The Alcohol and Tobacco Tax and Trade Bureau (TTB) establishes the approximately 306,650-acre Lewis–Clark Valley viticultural area in portions of Nez Perce, Lewis, Clearwater, and Latah Counties in Idaho and Asotin, Garfield, and Whitman Counties in Washington. TTB is also modifying the boundary of the existing Columbia Valley viticultural area to eliminate a partial overlap with the Lewis–Clark Valley viticultural area. The boundary modification will decrease the size of the approximately 11,370,320-acre Columbia Valley viticultural area by approximately 57,020 acres. The Lewis–Clark Valley viticultural area is not located within and does not overlap any other viticultural area. TTB designates viticultural areas to allow vintners to better describe the origin of their wines and to allow consumers to better identify wines they may purchase.

**DATES:** This final rule is effective [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Karen A. Thornton, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, 1310

G Street NW., Box 12, Washington, DC 20005; phone 202–453–1039, ext. 175.

#### SUPPLEMENTARY INFORMATION:

### **Background on Viticultural Areas**

#### TTB Authority

Section 105(e) of the Federal Alcohol Administration Act (FAA Act), 27 U.S.C. 205(e), authorizes the Secretary of the Treasury to prescribe regulations for the labeling of wine, distilled spirits, and malt beverages. The FAA Act provides that these regulations should, among other things, prohibit consumer deception and the use of misleading statements on labels and ensure that labels provide the consumer with adequate information as to the identity and quality of the product. The Alcohol and Tobacco Tax and Trade Bureau (TTB) administers the FAA Act pursuant to section 1111(d) of the Homeland Security Act of 2002, codified at 6 U.S.C. 531(d). The Secretary has delegated various authorities through Treasury Department Order 120–01 (dated December 10, 2013, superseding Treasury Order 120-01 (Revised), "Alcohol and Tobacco Tax and Trade Bureau," dated January 24, 2003), to the TTB Administrator to perform the functions and duties in the administration and enforcement of these laws.

Part 4 of the TTB regulations (27 CFR part 4) authorizes TTB to establish definitive viticultural areas and regulate the use of their names as appellations of

origin on wine labels and in wine advertisements. Part 9 of the TTB regulations (27 CFR part 9) sets forth standards for the preparation and submission of petitions for the establishment or modification of American viticultural areas (AVAs) and lists the approved AVAs.

#### Definition

Section 4.25(e)(1)(i) of the TTB regulations (27 CFR 4.25(e)(1)(i)) defines a viticultural area for American wine as a delimited grape-growing region having distinguishing features, as described in part 9 of the regulations, and a name and a delineated boundary, as established in part 9 of the regulations. These designations allow vintners and consumers to attribute a given quality, reputation, or other characteristic of a wine made from grapes grown in an area to the wine's geographic origin. The establishment of AVAs allows vintners to describe more accurately the origin of their wines to consumers and helps consumers to identify wines they may purchase. Establishment of an AVA is neither an approval nor an endorsement by TTB of the wine produced in that area.

### <u>Requirements</u>

Section 4.25(e)(2) of the TTB regulations (27 CFR 4.25(e)(2)) outlines the procedure for proposing an AVA and provides that any interested party may petition TTB to establish a grape-growing region as an AVA. Section 9.12 of the TTB regulations (27 CFR 9.12) prescribes standards for petitions for the establishment or modification of AVAs. Petitions to establish an AVA must include the following:

- Evidence that the area within the proposed AVA boundary is nationally or locally known by the AVA name specified in the petition;
- An explanation of the basis for defining the boundary of the proposed AVA;
- A narrative description of the features of the proposed AVA affecting viticulture, such as climate, geology, soils, physical features, and elevation, that make the proposed AVA distinctive and distinguish it from adjacent areas outside the proposed AVA boundary;
- The appropriate United States Geological Survey (USGS) map(s)
   showing the location of the proposed AVA, with the boundary of the proposed
   AVA clearly drawn thereon; and
- A detailed narrative description of the proposed AVA boundary based on USGS map markings.

#### **Lewis–Clark Valley Petition**

TTB received a petition from Dr. Alan Busacca, a licensed geologist and founder of Vinitas Consultants, LLC, on behalf of the Palouse–Lewis Clark Valley Wine Alliance and the Clearwater Economic Development Association. The petition proposed to establish the Lewis–Clark Valley AVA and modify the boundary of the existing Columbia Valley AVA (27 CFR 9.74). There are 3 wineries and approximately 16 commercially producing vineyards covering more than 81 acres within the proposed AVA. According to the petition, an additional 50 acres of grapes are expected to be planted within the next few years.

The distinguishing features of the proposed Lewis–Clark AVA include its topography, climate, native vegetation, and soils. The proposed AVA is located at the confluence of the Snake and Clearwater Rivers. The topography of the proposed AVA consists primarily of deep, V-notched canyons, low plateaus, and bench lands formed by the two rivers. Almost none of the proposed AVA consists of broad floodplains typically associated with valley floors, which are susceptible to cold-air pooling that can damage new growth and delay fruit maturation. Elevations within the proposed AVA are below 600 meters (approximately 1,970 feet). According to the petition, within the region of proposed AVA, elevations above 600 meters are generally too cold to support reliable ripening of the varietals of Vitis vinifera (V. vinifera) grapes that are grown within the proposed AVA, and winter freezes can be hard enough to kill dormant vines. By contrast, the regions surrounding the proposed Lewis-Clark Valley AVA to the east, south, southwest, and west are steep, rugged mountains with elevations ranging from approximately 2,000 feet to over 6,300 feet. To the north of the proposed AVA are the gently rolling hills of the Palouse high prairie, where the elevations can reach approximately 2,800 feet.

Due to its lower elevations, the climate of the proposed Lewis–Clark Valley is generally warmer than that of the surrounding regions and is suitable for growing a variety of grape varietals, including Cabernet Sauvignon, Chardonnay, Merlot, and Cabernet Franc. The warm temperatures of the proposed AVA have earned the region the nickname "banana belt of the Pacific Northwest." Growing degree day (GDD) accumulations within the proposed AVA range from 2,613 to

3,036. GDD accumulations in the surrounding regions are all below 2,000, which is too low for the consistent, successful ripening of most varietals of <u>V. vinifera</u> grapes.

Low shrubs and perennial grasses that have deep masses of fine roots constitute the native vegetation of the proposed Lewis-Clark Valley AVA. The decomposition of these native grasses and their root mats has contributed to the formation of nutrient-rich soils within the proposed AVA. The soils are high in organic materials that promote healthy vine growth. The majority of these soils are classified as Mollisols soils. The Palouse region to the north of the proposed AVA has similar native grasses, but most of the land is used for growing wheat, which is better suited to the cooler climate of the Palouse. To the east, south, and west of the proposed AVA, conifer trees comprise most of the native vegetation. The understories of these forested regions are covered with pine needle litter instead of perennial grasses. The pine needle litter remains on the surface, so the organic material released by the decomposition of the needles does not mix as deeply into the soil as the material released by decaying grass root mats. As a result, the soils of forested regions are not as high in organic material and nutrients as the soils within the proposed AVA. Additionally, the soils to the east, south, and west of the proposed AVA are classified as Andisols soils, which are comprised primarily of ash and other volcanic materials and contain only small amounts of organic material.

## Notice of Proposed Rulemaking and Comments Received

TTB published Notice No. 149 in the **Federal Register** on April 14, 2015 (80 FR 19902), proposing to establish the Lewis–Clark Valley AVA. In the document, TTB summarized the evidence from the petition regarding the name, boundary, and distinguishing features for the proposed AVA. The document also compared the distinguishing features of the proposed AVA to the surrounding areas. In Notice No. 149, TTB solicited comments on the accuracy of the name, boundary, and other required information submitted in support of the petition. In addition, TTB solicited comments on whether the information provided in the petition sufficiently demonstrated that the distinguishing features of the portion of the proposed Lewis–Clark Valley AVA that would overlap the established Columbia Valley AVA are so different from those of the established AVA that the overlapping region should be removed from the established AVA and placed entirely within the proposed AVA. The comment period originally closed on June 15, 2015.

In response to Notice No. 149, TTB received 37 comments during the original comment period, 36 of which unequivocally support the establishment of the proposed Lewis–Clark AVA, with several commenters citing its distinct topography, climate, and soils. Many of the commenters also stated their belief that the proposed AVA would encourage economic growth in the Lewiston–Clarkston region. Commenters included local vineyard and winery owners; a member of the Lewiston, Idaho City Council; Valley Vision, a local non-profit economic development corporation; representatives of the Clearwater Economic

Development Association; representatives of the Port of Lewiston and the Port of Clarkston, Washington; the Idaho Wine Commission; the Dean for Community Programs at Lewis–Clark State College; the Nez Perce County, Idaho Planning and Building Department; and a licensed geologist/hydrologist.

Eleven of the supporting comments also specifically support removing the overlapping region of the proposed Lewis-Clark Valley AVA from the Columbia Valley AVA. However, only four of these comments (comments 13, 20, 21, and 36) offer specific reasons for supporting the boundary modification. One commenter (comment 13) reiterated the petition's claim that the different geology of the overlapping region created a topography of bench lands, low plateaus, and steep canyon sides that are distinct from the plains of the Columbia Valley AVA. Another commenter (comment 20) stated that the climate of the overlapping region and the proposed Lewis-Clark Valley AVA are both "more distinctly affected by the interior mountains on the eastern border of the proposed AVA and the soils are distinctly affected by the decomposed granites and basalt substrates that were deposited through centuries of alluvial outwash \* \* \*." The third commenter (comment 21) stated that the overlapping region and the proposed AVA were "not ravaged by the Missoula Floods as was most of the Columbia Valley." The fourth commenter (comment 36) stated that his experience growing grapes in the proposed AVA supports the petition's claims that the climate of the proposed AVA has a longer growing season and different soils than the Columbia Valley AVA. The commenter also agreed with the petition that the canyons of the proposed AVA and the overlapping region are "in

stark contrast to the shallow and wide basins created by the Columbia River in the Columbia Valley AVA."

## Proposed AVA Boundary Expansion

While supporting establishment of the proposed Lewis-Clark AVA, one commenter proposed expanding its boundary to include an area of higher elevations to the northeast of the proposed AVA. This acreage is referred to in this section of the final rule as the "proposed expansion area" for the proposed Lewis-Clark Valley AVA. The commenter states he plans to develop a vineyard within the proposed expansion area at approximately 2,800 feet in elevation (see comment 34). The proposed Lewis-Clark Valley AVA is limited to elevations of 600 meters (approximately 1,960 feet) and under. Arguing that viticulture is feasible at the higher elevations of the Lewis-Clark Valley, the commenter provided climate data from a station within the proposed expansion area for 2012–2014. While noting that the GDD accumulations within his proposed expansion area are lower than those within the proposed AVA, the commenter stated they are higher than those found in Moscow, Idaho, which is located to the north of the proposed AVA. Climate data from Moscow was included in the proposed Lewis-Clark Valley AVA petition. The commenter believes, therefore, that his data shows the climate in his proposed expansion area is more similar to the climate within the proposed Lewis–Clark AVA than the climate of the nearby regions north of the proposed AVA, including Moscow, Idaho.

The commenter also claimed that precipitation amounts within the proposed expansion area are similar to those within the proposed Lewis–Clark

Valley AVA, although he did not provide any non-anecdotal evidence to support his claim. Finally, the commenter states that although the soils in the proposed expansion area are Andisols soils, "there is no reason to consider this [soil type] any less suitable for viticulture" than the Mollisols soils of the proposed AVA.

TTB has reviewed the commenter's claims and supporting evidence and has decided not to include the proposed expansion area within the proposed AVA for two reasons. First, TTB notes that the commenter states that the property owner is planning to plant a vineyard, which does not indicate that viticulture exists within the proposed expansion area. TTB regulations require that viticulture be present within an area proposed to be added to an AVA. See 27 CFR 9.12(c). Therefore, the proposed expansion area cannot be added to the proposed Lewis–Clark Valley AVA because no evidence has been provided to show that viticulture currently takes place in the proposed expansion area.

Secondly, TTB has determined that the proposed expansion area does not share the same climate and soils as the proposed Lewis–Clark Valley AVA and would not be included in the proposed AVA even if viticulture was taking place currently. With respect to climate conditions, the GDD accumulations provided by the commenter ranged from 1,984 to 2,150, which is a significantly lower range from the 2,613–3,036 range found within the proposed AVA. Some grape varietals may grow successfully in regions that have the range of GDD accumulations found in the proposed expansion area. However, because the GDD accumulations are significantly lower within the proposed expansion area, TTB believes that the grapes would be growing under different climatic conditions

than are found within the proposed AVA. Although the commenter claims that climate research and projections suggest that temperatures within the proposed expansion area may eventually become as warm as those within the proposed Lewis–Clark Valley AVA, TTB's determinations concerning the establishment or expansion of AVAs are based on currently available climate data.

Regarding the soils of the proposed expansion area, the commenter states that they are Andisols soils, which are composed largely of volcanic material. However, the proposed Lewis–Clark Valley AVA's soils are primarily Mollisols soils formed from decaying grasses and their roots. Although Andisols soils may be suitable for viticulture, the nutrients and minerals found in volcanic soils differ from those found in Mollisols soils and thus would create different growing conditions for grapevines.

Therefore, due to both a lack of current viticulture and shared distinguishing features in the proposed expansion area, TTB has determined that it will not expand the proposed Lewis–Clark Valley AVA to include the proposed expansion area described in comment 34.

#### Opposition to Proposed Columbia Valley AVA Boundary Realignment

TTB received one comment that supports the establishment of the proposed Lewis–Clark Valley AVA but opposes the proposed realignment of the Columbia Valley AVA (comment 35). The commenter, the owner of a vineyard within the proposed realignment area, stated that he believes his continued inclusion in the Columbia Valley AVA would be beneficial to his business and, therefore, he does not want his vineyard property to be removed from that AVA.

Instead, the commenter stated that TTB should allow the proposed Lewis–Clark Valley to partially overlap the Columbia Valley because "the geology, soils and climate of the proposed Lewis–Clark Valley AVA are quite similar to those of the Columbia Valley and mostly lay within the elevations affected by the Missoula floods." The commenter did not provide any evidence to support his claim.

Because the proposed realignment of the Columbia Valley could potentially affect the business practices of wine industry members within the proposed realignment area, TTB published Notice No. 149A in the **Federal Register** on October 27, 2015 (80 FR 65670) to reopen the comment period for an additional 30 days. In Notice No. 149A, TTB asked for comments on whether the evidence provided in the petition to establish the proposed Lewis-Clark Valley AVA and to modify the boundary of the Columbia Valley AVA adequately demonstrates that the characteristics of the proposed realignment area are more similar to those of the rest of the proposed Lewis-Clark Valley AVA than to the distinguishing features of the Columbia Valley AVA. The reopened comment period closed November 27, 2015.

# Comments Received During the Reopened Comment Period

During the reopened comment period, TTB received six additional comments on Notice No. 149. All six comments supported the proposed realignment of the Columbia Valley AVA. Two of the comments supported the proposed realignment but provided no additional evidence. The remaining four comments (comments 39, 40, 41, and 42) provided substantive evidence to support the proposed realignment.

Comment 39 was submitted by Dr. Wade Wolfe, who described himself as one of the contributors to the original Columbia Valley AVA petition. Dr. Wolfe states that defining the original "east boundary of the Columbia Valley was especially problematic" due to that region's cold temperatures, the lack of irrigation infrastructure for vineyards, and the use of the herbicide 2,4-D in the wheat fields of the Palouse. All of these factors, Dr. Wolfe states, limit the future of viticulture in the far eastern portion of the Columbia Valley AVA. In spite of these limiting factors, the decision was made to end the Columbia Valley at the Washington–Idaho border. Dr. Wolfe states his belief that a more appropriate eastern boundary would have been "a location near the Columbia and Garfield County line about 30 miles west of Pullman, WA." At this point, the Snake River Valley narrows to very steep slopes, and elevations rise to over 2,000 feet, making commercial viticulture unlikely. Dr. Wolfe further stated that the narrow canyon continues along the Snake River until the river "intersects with SR 12 just west of Clarkston," where the river valley opens up again. This intersection is along the northern border of the proposed realignment area. Dr. Wolfe asserts that the narrow portion of the Snake River creates a logical separation between the valley system of the Columbia Valley AVA and the valley system of the proposed Lewis-Clark Valley AVA.

Dr. Wolfe also states that the valley system of the proposed Lewis–Clark Valley AVA, including the proposed realignment area, is further differentiated from the valley system of the Columbia Valley AVA by its separate rain shadow. Marine moisture is blocked from entering the Columbia Valley AVA by the

Cascade Mountains. By contrast, the proposed Lewis–Clark Valley AVA is in the rain shadow of the Blue Mountains and extensions of the Rocky Mountains. This different rain shadow, according to Dr. Wolfe, "redefines the valley drainage of this section of the Snake River and when combined with the Clearwater River drainage, justifies a separate valley AVA designation."

Commenter 40 was submitted by a licensed geologist/hydrologist. The commenter states that while the Columbia Valley AVA and the proposed realignment area were both affected by repeated "Ice Age outbursts" from Lake Missoula, the effects of the floods were significantly different in both regions. The commenter states that the floods were backed up behind the Wallula Gap "when twice as much floodwater entered the gap than could actually pass through. This hydraulic dam also temporarily reversed the flow of the Snake River to near Lewiston." As a result of the build-up of water behind the Wallula Gap, "thick accumulations of sediment were deposited toward the center of the backflooded Walla Walla and Yakima Valleys," within the current Columbia Valley AVA.

The commenter also states that the proposed realignment area was affected by the Bonneville Flood, which did not extend farther into the Columbia Valley AVA. The Bonneville Flood deposited "sediments (soils) of a different character and composition" into the region of the proposed Lewis–Clark Valley AVA and the proposed realignment area, including soils derived from eroded "older sedimentary, metamorphic, and plutonic rocks of the North American craton." Finally, the commenter states that due to the "higher relief of the

canyonlands within the Lewis–Clark Valley," the soils of the proposed AVA and the proposed realignment area contain a higher percentage of "talus and slopewash shed off the steep canyon walls." The commenter claims that these types of deposits are not common within the majority of the Columbia Valley AVA, which contains "broad, low-relief basins."

Comment 41 is from a self-described local wine consumer. The comment largely summarizes the evidence provided in the petition to establish the proposed Lewis-Clark Valley AVA and realign the boundary of the Columbia Valley AVA. The commenter states that the proposed realignment area should be removed from the Columbia Valley AVA because "from a statistical perspective," the vineyards within the proposed realignment area "would represent an outlier." He explains, "If one were to view the Columbia Valley AVA as a map scatter diagram, the vast majority of vineyards are located in the Interstate-82 corridor between Walla Walla and Yakima, WA." Approximately 100 miles separate the nearest Columbia Valley AVA vineyard from the nearest vineyard in the proposed realignment area, the commenter claims. Based on the lack of vineyards between Interstate 82 and the proposed realignment area, the commenter believes that the current boundary of the Columbia Valley AVA extends too far east, and the southeastern Columbia Valley AVA boundary should be modified to place the proposed realignment area solely in the proposed Lewis-Clark Valley AVA.

Comment 42 was submitted by Dr. Alan Busacca, who submitted the proposed Lewis-Clark Valley AVA petition. Dr. Busacca reiterated Dr. Wolfe's

statement from comment 39 that the point where the Snake River narrows forms a logical division between the Columbia Valley AVA and the proposed Lewis-Clark Valley AVA. Dr. Busacca further reiterates that the topography of the proposed realignment area and the proposed AVA, which is described as a "unique, almost bowl-like set of plateaus and benches," is distinctly different from the topography of the Columbia Valley AVA. Dr. Busacca also states that if the climate, topography, and geology of the proposed realignment area are similar to the Columbia Valley AVA, as the opposing commenter claims, then the soils would also be similar, since those three features affect the formation of soil. However, Dr. Busacca states that of the 80 soils found within both the proposed AVA and the proposed realignment area, fewer than 8 also occur in the main grape-growing regions of the Columbia Valley AVA. Therefore, Dr. Busacca claims that the small number of shared soils demonstrates that the proposed realignment area does not share similar topographic, geologic, and climatic characteristics with the Columbia Valley AVA.

Finally, Dr. Busacca addresses the opposing commenter's statement that the proposed realignment area and the Columbia Valley AVA were both affected by the Missoula Floods. Dr. Busacca says that while the floodwaters did reach the proposed AVA, the waters had travelled almost 100 miles upstream along the Snake River, against the flow of the river. As a result, within the proposed AVA, the floods "caused almost no erosion, left little sediment behind, and thus did not today create more than a few tens of acres of unique terroir on small patched [sic] of flat land just above river level." By contrast, within the Columbia Valley

AVA, the floods created the "scabland" regions and built up large deposits of "gravel, sand and silt up to hundreds of feet deep \* \* \*. A whisper and a whimper of such effects totaling a hundred acres or two are all that these floods caused in the Lewiston–Clarkston area."

#### TTB Determination

After careful review of the petition and the 43 comments in total received in response to Notices No. 149 and No. 149A, TTB finds that the evidence provided by the petitioner and the commenters supports the establishment of the Lewis–Clark Valley AVA and the realignment of the boundary of the Columbia Valley AVA, in portions of Washington and Idaho. The realignment is in accordance with TTB's determination that the canyon-and-bench topography and Mollisols soils of the realignment area are more similar to the features of the Lewis-Clark Valley AVA than to the broad, rolling floodplains and Aridisols soils of the Columbia Valley AVA. Therefore, TTB is removing the realignment area from the Columbia Valley AVA and placing it entirely within the Lewis-Clark Valley AVA, as described in Notice No. 149. These determinations are made in accordance with the authority of the FAA Act, section 1111(d) of the Homeland Security Act of 2002, as well as parts 4 and 9 of the TTB regulations, and are effective 30 days from the publication date of this document.

#### **Boundary Description**

See the narrative description of the boundary of the Lewis–Clark Valley AVA and the modification of the boundary of the Columbia Valley AVA in the regulatory text published at the end of this final rule.

## Maps

The petitioner provided the required maps, and they are listed below in the regulatory text.

## **Impact on Current Wine Labels**

Part 4 of the TTB regulations prohibits any label reference on a wine that indicates or implies an origin other than the wine's true place of origin. For a wine to be labeled with an AVA name or with a brand name that includes an AVA name, at least 85 percent of the wine must be derived from grapes grown within the area represented by that name, and the wine must meet the other conditions listed in 27 CFR 4.25(e)(3). If the wine is not eligible for labeling with an AVA name and that name appears in the brand name, then the label is not in compliance and the bottler must change the brand name and obtain approval of a new label. Similarly, if the AVA name appears in another reference on the label in a misleading manner, the bottler must obtain approval of a new label. Different rules apply if a wine has a brand name containing an AVA name that was used as a brand name on a label approved before July 7, 1986. See 27 CFR 4.39(i)(2) for details.

With the establishment of this AVA, its name, "Lewis–Clark Valley," is recognized as a name of viticultural significance under § 4.39(i)(3) of the TTB regulations (27 CFR 4.39(i)(3)). The text of the regulation clarifies this point. Consequently, wine bottlers using the name "Lewis–Clark Valley" in a brand name, including a trademark, or in another label reference as to the origin of the

wine, must ensure that the product is eligible to use the AVA name as an appellation of origin.

#### Transition Period

Once this final rule to establish the Lewis-Clark Valley AVA and to modify the boundary of the Columbia Valley AVA becomes effective, a transition rule will apply to labels for wines produced from grapes grown in the portion of the Lewis-Clark Valley AVA that was formerly within the Columbia Valley AVA. A label containing the words "Columbia Valley" in the brand name or as an appellation of origin may be used on such wine bottled for up to two years from the effective date of this final rule, provided that such label was approved prior to the effective date of this final rule and that the wine conforms to the standards for use of the label set forth in 27 CFR 4.25 or 4.39(i) in effect prior to the final rule. At the end of this two-year transition period, if a wine is no longer eligible for labeling with the Columbia Valley name (e.g., less than 85 percent of the wine is derived from grapes grown in the Columbia Valley, as modified in this final rule), then a label containing the words "Columbia Valley" in the brand name or as an appellation of origin would not be permitted on the bottle. TTB believes that the two-year period should provide adequate time to use up any existing labels. This transition period is described in the regulatory text for the Columbia Valley AVA published at the end of this final rule. In this final rule, TTB has added regulatory text to clarify that wine eligible for labeling with the Columbia Valley name under the new boundary of the Columbia Valley AVA will not be affected by the

establishment of the Lewis–Clark Valley AVA or by this two-year transition period.

## **Regulatory Flexibility Act**

TTB certifies that this regulation will not have a significant economic impact on a substantial number of small entities. The regulation imposes no new reporting, recordkeeping, or other administrative requirement. Any benefit derived from the use of an AVA name would be the result of a proprietor's efforts and consumer acceptance of wines from that area. Therefore, no regulatory flexibility analysis is required.

#### **Executive Order 12866**

It has been determined that this final rule is not a significant regulatory action as defined by Executive Order 12866 of September 30, 1993. Therefore, no regulatory assessment is required.

## **Drafting Information**

Karen A. Thornton of the Regulations and Rulings Division drafted this final rule.

## List of Subjects in 27 CFR Part 9

Wine.

### **The Regulatory Amendment**

For the reasons discussed in the preamble, TTB amends title 27, chapter I, part 9, Code of Federal Regulations, as follows:

## PART 9—AMERICAN VITICULTURAL AREAS

**1.** The authority citation for part 9 continues to read as follows:

**Authority:** 27 U.S.C. 205.

## **Subpart C—Approved American Viticultural Areas**

2. Amend § 9.74 by revising paragraphs (b) and (c)(38) through (40) and adding paragraph (d) to read as follows:

# § 9.74 Columbia Valley.

\* \* \* \* \*

- (b) Approved maps. The approved maps for determining the boundary of the Columbia Valley viticultural area are nine 1:250,000 scale U.S.G.S. maps and one 1:100,000 (metric) scale U.S.G.S. map. They are entitled:
- (1) Concrete, Washington, U.S.; British Columbia, Canada, edition of 1955, limited revision 1963;
  - (2) Okanogan, Washington, edition of 1954, limited revision 1963;
  - (3) Pendleton, Oregon, Washington, edition of 1954, revised 1973;
  - (4) Pullman, Washington, Idaho, edition of 1953, revised 1974;
- (5) Clarkston, Washington, Idaho, Oregon, 1:100,000 (metric) scale, edition of 1981;
  - (6) Ritzville, Washington, edition of 1953, limited revision 1965;
  - (7) The Dalles, Oregon, Washington, edition of 1953, revised 1971;
- (8) Walla Walla, Washington, Oregon, edition of 1953, limited revision1963;
  - (9) Wenatchee, Washington, edition of 1957, revised 1971; and
  - (10) Yakima, Washington, edition of 1958, revised 1971.
  - (c) \* \* \*

- (38) Then south following the Washington–Idaho State boundary on the 1:100,000 (metric) scale Clarkston, Washington, Idaho, Oregon map to the 600-meter elevation contour along the eastern boundary of section 9, R. 46 E./T. 11 N.; and then generally west following the meandering 600-meter contour to the eastern boundary of section 17, R. 45E./T. 11N.; then south following the eastern boundary of section 17 to the southern boundary of section 17; and then west following the southern boundaries of sections 17 and 18 to the Asotin–Garfield county line in section 19, R. 45E./T. 11N.;
- (39) Then south following the Garfield–Asotin county line to the 600-meter elevation contour; then following generally west and south in a counterclockwise direction along the meandering 600-meter elevation contour to Charley Creek in section 4, R. 44 E./T. 9 N.; and then west following Charley Creek on to the township line between R. 42 E. and R. 43 E.;
- (40) Then north following the township line between R. 42 E. and R. 43 E. on the 1:250,000 scale "Pullman, Washington, Idaho" map to Washington Highway 128 at Peola;

\* \* \* \* \*

(d) <u>Transition period</u>. A label containing the words "Columbia Valley" in the brand name or as an appellation of origin approved prior to [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER] may be used on wine bottled before May 21, 2018 if the wine conforms to the standards for use of the label set forth in § 4.25 or § 4.39(i) of this chapter in

effect prior to [INSERT DATE 30 DAYS FROM DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**3.** Add § 9.256 to read as follows:

## § 9.256 Lewis-Clark Valley.

- (a) <u>Name.</u> The name of the viticultural area described in this section is "Lewis–Clark Valley". For purposes of part 4 of this chapter, "Lewis–Clark Valley" is a term of viticultural significance.
- (b) Approved maps. The three United States Geographical Survey (USGS) 1:100,000 (metric) scale topographic maps used to determine the boundary of the Lewis–Clark Valley viticultural area are titled:
  - (1) Clarkston, Wash.-Idaho-Oregon, 1981;
  - (2) Orofino, Idaho-Washington, 1981; and
  - (3) Potlatch, Idaho, 1981.
- (c) <u>Boundary.</u> The Lewis–Clark Valley viticultural area is located in Nez Perce, Lewis, Clearwater, and Latah Counties, Idaho, and Asotin, Garfield, and Whitman Counties, Washington. The boundary of the Lewis–Clark Valley viticultural area is as follows:
- (1) The beginning point is located on the Clarkston map in Washington State along the Garfield–Asotin County line at the southwest corner of section 18, T11N/R45E. From the beginning point, proceed east along the southern boundary line of section 18, crossing over the Snake River, and continue along

the southern boundary line of section 17, T11N/R45E, to the southeast corner of section 17; then

- (2) Proceed north along the eastern boundary line of section 17 to the600-meter elevation contour; then
- (3) Proceed generally east-northeast along the meandering 600-meter elevation contour, crossing into Idaho and onto the Orofino map, then continue to follow the elevation contour in an overall clockwise direction, crossing back and forth between the Orofino and Clarkston maps and finally onto the Potlatch map, and then continuing to follow the 600-meter elevation contour in a clockwise direction to the elevation contour's intersection with the southern boundary line of section 1, T37N/R1W, on the Potlatch map, north of the Nez Perce Indian Reservation boundary and west of the Dworshak Reservoir (North Fork of the Clearwater River) in Clearwater County, Idaho; then
- (4) Cross the Dworshak Reservoir (North Fork of the Clearwater River) by proceeding east along the southern boundary line of section 1, T37N/R1E, to the southeastern corner of section 1; then by proceeding north along the eastern boundary line of section 1 to the southwest corner of section 6, T37N/R2E; and then by proceeding east along the southern boundary line of section 6 to the 600-meter elevation contour; then
- (5) Proceed generally east initially, then generally south, and then generally southeast along the meandering 600-meter elevation contour, crossing onto the Orofino map, and then continuing to follow the elevation contour in an overall clockwise direction, crossing back and forth between the Orofino and

Potlatch maps, to the eastern boundary of section 13, T35N/R2E, on the Orofino map in Clearwater County, Idaho; then

- (6) Proceed south along the eastern boundary of section 13, T35N/R2E, to the southeastern corner of section 13, T35N/R2E, northeast of Lolo Creek; then
- (7) Proceed west along the southern boundary line of section 13,T35N/R2E, to the Clearwater–Idaho County line in the middle of Lolo Creek; then
- (8) Proceed generally west-northwest along the Clearwater–Idaho County line (concurrent with Lolo Creek) to the Lewis County line at the confluence of Lolo Creek and the Clearwater River; then
- (9) Proceed generally south along the Lewis–Idaho County line(concurrent with the Clearwater River) to the northern boundary line of section23, T35N/R2E; then
- (10) Proceed west along the northern boundary line of section 23,T35N/R2E, to the 600-meter elevation contour; then
- (11) Proceed generally northwest along the meandering 600-meter elevation contour, crossing onto the Potlatch map and then back onto the Orofino map and continuing generally southwest along the 600-meter elevation contour to the common T32N/T31N township boundary line along the southern boundary line of section 35, T32N/R5W, south of Chimney Creek (a tributary of the Snake River) in Nez Perce County, Idaho; then
- (12) Proceed west along the common T32N/T31N township boundary line, crossing Chimney Creek, to the Idaho–Washington State line (concurrent with the Nez Perce–Asotin County line) at the center of the Snake River; then

- (13) Proceed generally southeast along the Idaho–Washington State line in the Snake River to the northern boundary line of section 29, T31N/R5W; then
- (14) Proceed west along the northern boundary line of section 29, T31N/R5W, to the 600-meter elevation contour, northeast of Lime Hill in Asotin County, Washington; then
- (15) Proceed generally west and then generally south-southwest along the meandering 600-meter elevation contour to the southern boundary line of section 25, T7N/R46E; then
- (16) Proceed west along the southern boundary lines of section 25 and 26, crossing onto the Clarkston map, and continuing along the southern boundary lines of section 26 to the 600-meter elevation contour west of Joseph Creek; then
- (17) Proceed southeast along the meandering 600-meter elevation contour to the western boundary line of section 34, T7N/R46E; then
- (18) Proceed north along the western boundary lines of sections 34 and 27, T7N/R46E, crossing over the Grande Ronde River, to the 600-meter elevation contour; then

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(19) Proceed generally northeast along the meandering 600-meter

elevation contour and continue along the 600-meter elevation contour in a

clockwise direction, crossing back and forth between the Clarkston and Orofino

maps, until, on the Clarkston map, the 600-meter elevation line intersects the

Garfield–Asotin County line for the third time along the western boundary of

section 19, T11N/R45E; and then

(20) Proceed north along the Garfield–Asotin County line, returning to the

beginning point.

Signed: March 28, 2016.

John J. Manfreda,

Administrator.

Approved: April 15, 2016.

Timothy E. Skud,

Deputy Assistant Secretary

(Tax, Trade, and Tariff Policy).

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